

## SOLICITATION COMMENTS

Commercial Fundraisers listed on the report provided the following comments regarding their financial information:

### Advantage Fund-Raising Consulting

“Advantage Fundraising Consulting does not have custody or control of the funds raised and charges a flat fee for services. For questions regarding the financial information reported, contact Dale Culver (816) 931-2600 with the PKD Foundation or Susan Sturgill (732) 932-2883 for Associate Alumnae of Douglass College.”

### DialAmerica Marketing

“DialAmerica Marketing, Inc. conducts two types of fundraising, co-venture sale of magazine subscriptions and a business-to-business campaign. Pursuant to the terms of the magazine licensing agreements between DialAmerica Marketing, Inc. and the pertinent charitable organizations, it is understood that the charitable organizations will receive 12.5% of all subscriptions sold on their behalf. Donations are not solicited, magazines are offered at the lowest price available to the public, and customers are told that 12.5% of their subscription price will, in turn, be paid to the pertinent charitable organization by DialAmerica Marketing, Inc.”

### DialogueDirect, Inc.

“Dialogue Direct secured 1177 long term sponsors for the charity. Each sponsor has committed to donate \$18 per month long term (average of 5 years). Some of the sponsors were secured early in the campaign year, others later. The total amount (gross receipts) received for 2004 was \$57,665. Dialogue Direct receives a unit cost per sponsor secured. The actual net to charity in year 1 was (-\$189,505). However, if the funds are projected out over the 5 years, the net to charity will be \$1,271,160 or a 500% return on investment.”

### Gordon and Schwenkmeyer

“The focus of Gordon & Schwenkmeyer's telemarketing donor development program is twofold: first, to identify and create new contributors to sustain and help an organization grow; second, to use the telephone as a valuable public education outreach tool to inform people about the organization's mission and programs. As with other small donor development programs, most telemarketing donor prospecting efforts generally yield very little net income. But without a constant infusion of new contributors, an organization cannot grow or expand its programs.

Gordon & Schwenkmeyer's program does not require any direct funding from our clients. We realize that most of our clients have very limited funds to invest in donor development programs. At no time do we ask our clients for direct payment of the program's expenses, rather, the expenses are paid for by the returns generated from the calling and any deficit incurred by the donor prospecting program is financed, interest-free, by Gordon & Schwenkmeyer and repaid from the net income generated by resoliciting the newly developed donors. Once the initial program deficit has been repaid, all net income is distributed directly to our client.”

### IDC, Ltd

“Ethical fundraising standards mandate that fundraising professionals not charge on a percentage basis. Further, please note that at no time does IDC control, manage or retain custody of any funds intended for any client. All funds are solely managed by the charitable organization.”

## **SOLICITATION COMMENTS CONT'**

### **Legacy Leaders, Inc.**

“Legacy Leaders, Inc. runs Planned Giving campaigns for the charities it contracts with. Planned Gifts are gifts of estate, and are therefore deferred gifts. The money will begin to be realized after approx. 5 years, and will continue for another approx. 20 years. Legacy Leaders, Inc. charges a contract fee, and never has custody of the funds raised through the Planned Giving campaign.”

### **National Community Development Services, Inc.**

“NCDS does not have authority to expend funds and/or incur obligations on behalf of its clients. All funds and obligations remain in control of the client.”

### **NFB Associates, Inc.**

“The National Federation of the Blind of Washington contracts with NFB Associates to raise funds for the National Federation of the Blind of Washington. All money is deposited in bank accounts belonging to the National Federation of the Blind of Washington. No money may be withdrawn from these accounts without the signature of the President or Treasurer of the National Federation of the Blind of Washington. NFB Associates, Inc. regularly receives 25% of the money raised for fundraising services.”